

**GOVERNMENT OF INDIA
POWER
LOK SABHA**

UNSTARRED QUESTION NO:295
ANSWERED ON:25.02.2016
Concession to Gas based Power Plants
Vellaigounder Shri Elumalai

Will the Minister of POWER be pleased to state:

- (a) the details of specific concessions like waiver of custom duty, VAT, etc. having extended to gas based power plants;
- (b) the details of the cost of taxing per unit of gas, coal, hydro, solar based power plants respectively; and
- (c) the details of concessions given to power plants other than gas based plants?

Answer

THE MINISTER OF STATE (INDEPENDENT CHARGE) FOR POWER,
COAL AND NEW & RENEWABLE ENERGY

(SHRI PIYUSH GOYAL)

(a) : Government has exempted Customs Duty on imported LNG used for power generation. Government of India has sanctioned a scheme for importing spot RLNG in 2015-16 and 2016-17 for the stranded gas based power plants as well as for plants receiving gas upto the target PLF selected through reverse e-bidding process. The concessions provided for under the scheme are as under:

- (i) Custom duty waiver on imported LNG;
- (ii) Waiver of Value Added Tax, Central Sales Tax, Octroi and Entry Tax ;
- (iii) Waiver of Service Tax on regasification and transportation;
- (iv) Reduction in pipeline tariff charges, regasification charges and marketing margin;
- (v) Exemption from transmission charges and losses for stranded gas based power projects.

(b) : There is no tax on generation of power for gas / coal / hydro / solar based power plants.

(c) : Concessions given to power plants other than gas based plants are given at Annex.
